# THE BOMBAY SALES TAX ACT, 1946.

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SCHEDULE I.

SCHEDULE II.

# ¶BOMBAY ACT No. V OF 1946.[1]

[THE BOMBAY SALES TAX ACT, 1946.]

[*8th March 1946.*]

Amended by Bom. 17 of 1946 ;
" " " 25 of 1947 ;
" " " *24 of 1948 ;
" " " †52 of 1948 ;
" " " 1 of 1949.

**An Act to provide for the levy of a tax on the sale of goods in the Province of Bombay.**

WHEREAS it is expedient to provide for the levy of a tax on the sale of goods in the Province of Bombay ; Preamble.

AND WHEREAS the Governor of Bombay has assumed to himself under the Proclamation dated the 4th November 1939, issued by him under section 93 of the Government of India Act, 1935, all powers vested by or under the said Act in the Provincial Legislature ;

26, Geo 5, Ch. 2.

NOW, THEREFORE, in exercise of the said powers, the Governor of Bombay is pleased to make the following Act :—

1. (*1*) This Act may be called the Bombay Sales Tax Act, 1946. Short title, extent and commencement.

(*2*) It shall extend to the whole of the Province of Bombay.

(*3*) This section shall come into force at once and the rest of this Act shall come into force on such date as the Provincial Government may, by notification in *Official Gazette*, appoint.

2. In this Act unless there is anything repugnant in the subject or context,— Definitions.

(*a*) " Commissioner " means the Commissioner of Sales Tax appointed under sub-section (*1*) of section 3 ;

(*b*) [2]* * * * * * *

(*c*) " dealer " means any person who carries on the business of selling or supplying goods in the Province of Bombay, whether for commission, remuneration or otherwise and includes any society, club or association which sells or supplies goods to its members ;

*Explanation.*—The manager or agent of a dealer who resides outside the Province of Bombay and carries on the business of selling or supplying goods in the Province of Bombay shall, in respect of such business, be deemed to be a dealer for the purposes of this Act ;

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¶This Act, as amended by Bom. 17 of 1946 and Bom. 25 of 1947, was repealed and re-enacted by Bom. 24 of 1948, s. 2.

[1] For the Statement, see *Bombay Government Gazette*, Pt. IV, 1946, page 99.

[2] Clause (*b*) was deleted by Bom. 25 of 1947, s. 2 (*a*).

*Section 17 of this Act is as follows :—

17. *Saving.*—All certificates of registration granted under the said Act shall be deemed to be granted under the said Act as herein re-enacted.

†This Act came into force on the 1st November 1948. (Please see G. N., F. D., No. 6495/33-S.T. (1), dated the 28th October 1948, in *Bombay Government Gazette*, Pt. IV-B, 1948, page 972 A). Section 4 of this Act is as follows :—

4. *Saving.*—Nothing in this Act shall be deemed to affect any liability of a dealer to pay the amount of the general tax in respect of bullion or specie at the rate of one-half of an anna in a rupee on his taxable turnover before the coming into force of this Act or to entitle such dealer to a refund of tax already paid by him in respect of such goods for any period prior to the said date.

(*d*) " goods " means all kinds of movable property other than actionable claims, stocks, shares and securities, and includes all materials, articles and commodities, [1]* * ;

(*e*) " prescribed " means prescribed by rules made under this Act ;

(*f*) " registered dealer " means a dealer registered under this Act ;

(*g*) " sale " with all its grammatical variations and cognate expressions means any transfer of property in goods for cash or deferred payment or other valuable consideration [2]* * but does not include a mortgage, hypothecation, charge or pledge ;

*Explanation 1.*—A transfer of goods on hire, purchase or other instalment system of payment shall, notwithstanding the fact that the seller retains a title to any goods as security for payment of the price, be deemed to be a sale ;

*Explanation 2.*—Notwithstanding anything to the contrary in the Indian Sale of Goods Act, 1930, the sale of any goods which are actually in the Province of Bombay at the time when the contract for sale (as defined in that Act) is made in respect thereof, shall, wherever the said contract of sale is made, be deemed for the purposes of this Act to have taken place in the Province of Bombay ; III of 1930.

(*h*) " sale price " means the amount payable to a dealer as valuable consideration for—

(*i*) the sale or supply of any goods, less any sum allowed as cash discount according to trade practice, but including any sum charged for anything done by the dealer in respect of the goods at the time of or before delivery thereof, other than the cost of freight or delivery or the cost of installation when such cost is separately charged ; [3]*

[4](*ii*) ;

(*i*) " Tribunal " means the Tribunal constituted under section 4 ;

(*j*) " turnover " means the aggregate of the amounts of sale-prices received and receivable by a dealer in respect of sale or supply of goods [5]* * * effected or made during a given period [6][after deducting the amounts, if any, refunded by the dealer to a purchaser, in respect of any goods purchased and returned by the purchaser within the prescribed period] ; and

(*k*) " year " means the financial year.

Taxing authorities.

**3.** (*1*) For carrying out the purposes of this Act, the Provincial Government may appoint any person to be a Commissioner of Sales Tax, and such other persons to assist him as the Provincial Government thinks fit.

(*2*) Persons appointed under sub-section (*1*) shall exercise such powers as may be conferred and perform such duties as may be imposed on them by or under this Act.

(*3*) All persons appointed under sub-section (*1*) shall be deemed to be public servants within the meaning of section 21 of the Indian Penal Code. XLV of 1860.

Tribunal.

**4.** (*1*) The Provincial Government shall constitute a Tribunal to exercise the functions conferred on the Tribunal by or under this Act.

(*2*) The Tribunal shall consist of not more than three members possessing such qualifications as may be prescribed.

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[1] The words " whether or not to be used in the construction, fitting out, improvement or repair of immovable property " were deleted by Bom. 25 of 1947, s. 2 (*b*).

[2] The words " including a transfer of property in goods involved in the execution of a contract, " were deleted, *ibid.*, s. 2. (*c*).

[3] The word " or " was deleted, *ibid.*, s. 2 (*d*).

[4] Paragraph (*ii*) was deleted, *ibid.*, s. 2 (*d*).

[5] The words " or carrying out of any contract," were deleted, *ibid.*, s. 2 (*e*) (*i*).

[6] These words were inserted, *ibid.*, s. 2 (*e*) (*ii*).

[1][(*2A*) Where the Tribunal consists of three members, any two members of the Tribunal shall form the quorum for the disposal of its business.]

(*3*) Any vacancy in the membership of the Tribunal shall be filled up by the Provincial Government.

(*4*) Subject to the previous sanction of the Provincial Government, the Tribunal shall frame regulations consistent with the provisions of this Act and the rules made thereunder, for regulating its procedure and the disposal of its business.

(*5*) The regulations made under sub-section (*4*) shall be published in the *Official Gazette*.

Incidence of taxation.

5. (*1*) Subject to the provisions of sections 6 and 7 and with effect from such date as the Provincial Government may, by notification in the *Official Gazette* appoint, being not earlier than thirty days after the date of the said notification, every dealer whose gross turnover during the year immediately preceding the commencement of this Act, [2][in respect of sales or supplies of goods exceeds—

[3][(*a*) in the case of a dealer who brings any goods into the Province of Bombay [4][from any territory other than that notified by the Provincial Government in the *Official Gazette*], whether by land, water or air, Rs. 10,000, provided [5][the value of] goods is not less than Rs. 1,000 ;]

(*b*) in the case of a manufacturer or processor Rs. 10,000, and

(*c*) in the case of any other dealer Rs. 30,000,

Shall be liable to pay tax under this Act on his turnover in respect of sales or supplies of goods effected after the date so notified.]

(*2*) Every dealer to whom sub-section (*1*) does not apply shall be liable to pay tax under this Act with effect from [6][the 1st April of the year during which] [7][* * * * his turnover in respect of sales or supplies of goods exceeds the limits specified in sub-section (*1*)] :

[8][Provided that such dealer shall not be liable to pay the tax under this Act during such year in respect of his turnover up to the limits specified in sub-section (*1*)].

(*3*) Every dealer who has become liable to pay tax under this Act shall continue to be so liable until the expiry of three consecutive years, during each of which his gross turnover [9][in respect of sales or supplies of goods has failed to exceed the limits specified in sub-section (*1*)] ; and such further period after the date of such expiry as may be prescribed and on the expiry of this latter period his liability to pay the tax shall cease.

(*4*) Every dealer whose liability to pay tax has ceased under the provisions of sub-section (*3*) shall again be liable to pay tax under this Act with effect from the [10][1st April of the year during which] his gross turnover [11][in respect of sales or supplies of goods again exceeds the limits specified in sub-section (*1*)] :

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[1] Sub-section (*2A*) was added by Bom. 24 of 1948, s. 3.

[2] These words, figures, brackets and letters were substituted for the original words and figures by Bom. 25 of 1947, s. 3 (*1*).

[3] Clause (*a*) was substituted by Bom. 24 of 1948, s. 4.

[4] These words were inserted by Bom. 1 of 1949, s. 2 (*i*) (*a*).

[5] These words were substituted for the words "his gross turnover in respect of", *ibid.*, s. 2 (*i*) (*b*).

[6] These words, figure and letters were substituted for the original by Bom. 1 of 1949, s. 2 (*ii*) (*a*).

[7] These words, brackets and figure were substituted for the original by Bom. 25 of 1947, s. 3 (*2*).

[8] This proviso was added by Bom. 1 of 1949, s. 2 (*ii*) (*b*).

[9] These words, brackets and figure were substituted for the original by Bom. 25 of 1947, s. 3 (*3*).

[10] The figure, letters and words were substituted for the original by Bom. 1 of 1949, s. 2 (*iii*) (*a*).

[11] These words, brackets and figure were substituted for the original by Bom. 25 of 1947, s. 3 (*4*).

[1][Provided that such dealer shall not be liable to pay the tax under this Act during such year in respect of his turnover up to the limits specified in sub-section (*1*)].

Levy and rates of tax.

[2][6. (*1*) The tax payable by a dealer under this Act shall consist of—

(*a*) a general tax at the rate of one half of an anna in the rupee levied on his taxable turnover in respect of sales or supplies of goods other than the goods specified in Schedule I:

[3][Provided that in respect of sales or supplies of bullion or specie, the general tax shall, subject to such conditions and restrictions as may be prescribed, be levied on the taxable turnover of a dealer at the rate of one-fourth per cent.] and

(*b*) a special tax at the rate of one anna in the rupee levied on his taxable turnover in respect of sales or supplies of goods specified in Schedule I:

[4][Provided that the general or special tax payable by a dealer on his taxable turnover in respect of sales or supplies of goods which are despatched or removed by him or on his behalf or by the purchaser of such goods to such place outside the Province as may be notified by the Provincial Government in the *Official Gazette* within such period and subject to such terms and conditions as may be prescribed shall be levied at such rate not exceeding half the rate of the tax leviable under this section as the Provincial Government may by notification in the *Official Gazette* specify.]

(*2*) The Commissioner may, in such circumstances and subject to such conditions as may be prescribed, accept from any dealer, in lieu of the amount of the general tax payable during any period, a lump sum by way of composition determined in the prescribed manner.

(*3*) The "taxable turnover" for the purposes of clause (*a*) or (*b*), as the case may be, of sub-section (*1*) shall be determined in accordance with the following Rules:—

*Rule I.*—From the gross turnover of the dealer in respect of all his sales or supplies of goods, including goods specified in Schedule I, during any period of his liability to pay the tax, there shall first be deducted his turnover during that period in respect of—

(*i*) sales or supplies of any goods declared, from time to time, as tax-free under section 7;

(*ii*) sales or supplies to a registered dealer of goods certified by him as being intended for resale by him or of goods specified in the purchasing dealer's certificate of registration as being intended for use by him in the manufacture or processing of any goods for sale or supply, or sales or supplies to a registered dealer of containers and other materials for the packing of such goods:

Provided that where such goods are utilised by him for purposes other than those specified in his certificate of registration, the price of goods so utilised shall be included in his taxable turnover;

(*iii*) [5] * * * * * *

(*iv*) such other sales as may be prescribed.

*Rule II.*—From that part of the balance remaining after making deductions under Rule I which is in respect of the sales or supplies of goods other than those specified in Schedule I, [6][and bullion and specie] there shall be deducted one-thirty-third of such part, and the remainder shall be the taxable turnover for the purposes of clause (*a*) of sub-section (*1*).

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[1] This proviso was added by Bom. 1 of 1949, s. 2 (*iii*) (*b*).
[2] This section was substituted for the original by Bom. 24 of 1948, s. 5.
[3] This proviso was inserted by Bom. 52 of 1948, s. 2 (*i*).
[4] This proviso was added by Bom. 1 of 1949, s. 3 (*a*).
[5] This clause was deleted by Bom. 1 of 1949, s. 3 (*b*) (*i*).
[6] These words were inserted by Bom. 52 of 1948, s. 2 (*ii*).

*Rule III.*—From that part of the said balance which is in respect of the sales or supplies of goods specified in Schedule I, there shall be deducted one-seventeenth of such part, and the remainder shall be the taxable turnover for the purposes of clause (*b*) of sub-section (*1*)] :

[1][Provided that the deductions under Rules II and III in respect of sales and supplies of goods referred to in the proviso to sub-section (*1*) shall be made at such rate as may be prescribed.]

Tax-free goods.

**7.** (*1*) No tax shall be payable under this Act on the [2][sales or supplies] of goods specified in the first column of [3][Schedule II] subject to the conditions and exceptions, if any, set out in the corresponding entry in the second column thereof.

(*2*) The Provincial Government, after giving by notification in the *Official Gazette* not less than one month's notice of its intention so to do, may by like notification add [4][to the said Schedule II] [5][or enlarge any entry therein] and thereupon the Schedule shall be deemed to be amended accordingly.

Registration of dealers.

**8.** (*1*) No dealer shall, while being liable to pay tax under section 5 of this Act, carry on business as a dealer unless he has been registered and possesses a registration certificate :

Provided that for the purposes of this sub-section the gross turnover shall be calculated without making the deductions referred to in sub-sections [6](*3*) of section 6.

(*2*) Every dealer required by sub-section (*1*) to be registered shall make application in that behalf in the prescribed manner to the prescribed authority.

(*3*) If the said authority is satisfied that an application for registration is in order, it shall, in accordance with such rules as may be prescribed, register the applicant and grant him a certificate of registration in the prescribed form [7]* * * *.

(*4*) The prescribed authority may, from time to time amend any certificate of registration after considering the information furnished under section 17 or otherwise received.

(*5*) When any dealer has been convicted or has paid composition money under section 26, in respect of any contravention of sub-section (*1*) of this section, the prescribed authority shall register such dealer and grant him a certificate of registration, and such registration shall take effect as if it had been made under sub-section (*3*) of this section on the dealer's application.

(*6*) When—

(*a*) any business in respect of which a certificate has been granted under this section has been discontinued or transferred,

or

(*b*) the gross turnover of any such business has during each of three consecutive years failed to exceed [8][the limits specified in sub-section (*1*) of section 5] [9][and

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[1] This proviso was added by Bom. 1 of 1949, s. 3 (*b*) (*ii*).

[2] These words were substituted for the word "sale" by Bom. 24 of 1948, s. 6 (*1*) (*a*).

[3] The word and figures were substituted for the original, *ibid.*, s. 6 (*1*) (*b*).

[4] These words and figures were substituted for the words "to the Schedule" by Bom. 24 of 1948, s. 6 (*2*).

[5] The words "or enlarge any entry therein" were inserted by Bom. 25 of 1947, s. 5.

[6] These brackets and figure were substituted for the original by Bom. 1 of 1949, s. 4 (*i*).

[7] The words "which shall specify the class or classes of goods in which at the time of the grant of the said certificate the dealer carries on business and such other particulars as may be prescribed" were deleted by Bom. 25 of 1947, s. 6 (*1*).

[8] These words, figures and brackets were substituted for the letters and figures "Rs. 30,000", *ibid.*, s. 6 (*2*).

[9] These words were inserted by Bom. 1 of 1949, s. 4 (*ii*).

the dealer has applied in the prescribed manner for cancellation of his registration the prescribed authority shall cancel the registration with effect from the prescribed date.

Voluntary registration of dealers.

[1][8A. (*1*) If on the application of any dealer the authority prescribed for the purpose of section 8 is satisfied, that his gross turnover during a year has exceeded or is likely to exceed Rs. 10,000, the said authority may notwithstanding that the dealer may not be liable to pay tax under section 5 register the dealer and grant him a certificate of registration in the prescribed manner.

(*2*) The provisions of sub-sections (*3*) and (*4*) and clause (*a*) of sub-section (*6*) of section 8 shall apply in respect of applications for registration under this section.

(*3*) Every dealer who has been registered upon application made under this section shall, for so long as his registration remains in force, be liable to pay tax under this Act [2][notwithstanding anything contained in section 5].

(*4*) The registration of a dealer upon application made under this section shall be in force for a period of not less than three complete years and shall remain in force thereafter unless cancelled under the provisions of this Act.

(*5*) Subject to the provisions of sub-section (*4*), a dealer registered upon application made under this section may apply in the prescribed manner not less than six months before the end of a year to the authority which granted him his certificate of registration for the cancellation of such registration to take effect at the end of the year in which the application for such cancellation is made ; and the said authority shall, unless the dealer is liable to pay tax under section 5, cancel the registration accordingly.]

Publication of the list of registered dealers.

9. The Provincial Government shall, as soon as may be after the commencement of this Act, publish in the prescribed manner a list of the names and addresses of registered dealers together with a description of the goods in accordance with their certificates of registration and thereafter shall, in like manner, from time to time publish—

(*a*) such particulars of any dealer who is subsequently registered or whose certificate of registration is amended or whose registration is cancelled, as soon as may be after such registration, amendment or cancellation ; and

(*b*) a consolidated list embodying the modifications in the first list published under this section.

Returns.

10. (*1*) Every such dealer as may be required so to do by the Commissioner by notice served in the prescribed manner and every registered dealer shall furnish such returns by such dates and to such authority as may be prescribed.

(*2*) If any dealer having furnished a return under sub-section (*1*) discovers any omission or wrong statement therein, he may furnish a revised return, [3][before the expiry of the quarter next following the period to which the return relates].

Assessment of tax.

11. [4][(*1*) (*a*) The amount of tax due from a registered dealer shall in the case of first assessment be assessed in respect of such period not exceeding twelve months as the Commissioner may determine.

(*b*) In the case of subsequent assessments the amounts shall be assessed each for periods not less than twelve months, provided that if the dealer has at any date discontinued or transferred his business or ceased to be liable to pay the tax, the amount shall be assessed for the period till that date.]

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[1] Section 8A was inserted by Bom. 25 of 1947, s. 7.

[2] These words and figure were added by Bom. 24 of 1948, s. 7.

[3] These words were substituted for the words "at any time before assessment is made in the prescribed manner" by Bom. 25 of 1947, s. 8.

[4] Sub-section (*1*) was added by Bom. 24 of 1948, s. 8.

[1](*1A*) If the Commissioner is satisfied without requiring the presence of a registered dealer or the production by him of any evidence that the returns furnished in respect of any period are correct and complete, he shall assess the amount of tax due from the dealer on the basis of such returns.

(*2*) (*a*) If the Commissioner is not satisfied without requiring the presence of a registered dealer who furnished the returns or production of evidence that the returns furnished in respect of any period are correct and complete, he shall serve on such dealer a notice in the prescribed manner requiring him, on a date and at a place specified therein either to attend in person or to produce or to cause to be produced any evidence on which such dealer may rely in support of such returns.

(*b*) On the day specified in the notice or as soon afterwards as may be, the Commissioner shall, after hearing such evidence as the dealer may produce, and such other evidence as the Commissioner may require on specified points, assess the amount of tax due from the dealer.

(*3*) If a registered dealer, having furnished returns in respect of a period, fails to comply with [2]****the terms of a notice issued under sub-section (*2*), the Commissioner shall assess, to the best of his judgment, the amount of tax due from the dealer.

(*4*) If a registered dealer does not furnish returns in respect of any period by the prescribed date, the Commissioner shall after giving the dealer a reasonable opportunity of being heard, assess to the best of his judgment, the amount of tax, if any, due from the dealer.

(*5*) If upon information which has come into his possession, the Commissioner is satisfied that any dealer has been liable to pay tax under this Act in respect of any period [3][but has] failed to apply for registration, the Commissioner shall, after giving the dealer a reasonable opportunity of being heard, assess, to the best of his judgment the amount of tax, if any, due from the dealer in respect of such period and all subsequent periods and [4][in cases where such dealer has wilfully failed to apply for registration] the Commissioner may direct that the dealer shall pay, by way of penalty, in addition to the amount so assessed, a sum not exceeding one and a half times that amount.

(*6*) Any assessment made under this section shall be without prejudice to any prosecution instituted for an offence under this Act.

Turnover escaping assessment.

[5][**11A**. If in consequence of any information which has come into his possession, the Commissioner is satisfied that any turnover in respect of sales or supplies of any goods chargeable to tax under this Act has escaped assessment in any year or has been under-assessed or assessed at a lower rate or any deductions have been wrongly made therefrom the Commissioner may, in any case where he has reason to believe that the dealer has concealed the particulars of such sales or supplies or deliberately furnished incorrect returns, at any time within five years, and in any other case, at any time within three years, of the end of that year, serve on the dealer liable to pay the tax in respect of such turnover a notice containing all or any of the requirements which may be included in a notice under sub-section (*2*) of section 11 and may proceed to assess or re-assess the amount of tax from such dealer and the provisions of this Act shall apply accordingly as if the notice were a notice served under that sub-section :

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[1] The original sub-section (*1*) was re-numbered as sub-section (*1A*), *ibid.*
[2] The word "all" was deleted by Bom. 25 of 1947, s. 9.
[3] These words were substituted for the original by Bom. 1 of 1949, s. 5 (*i*).
[4] These words were inserted, *ibid.*, s. 5 (*ii*).
[5] This section was inserted by Bom. 1 of 1949, s. 6.

Provided that the amount of tax shall be assessed after making the deductions permitted under this Act at the rate at which it would have been assessed had the turnover not escaped assessment or full assessment, as the case may be.]

Payment and recovery of tax.

12. (*1*) The tax payable under this Act shall be paid in the manner hereinafter provided at such intervals as may be prescribed.

(*2*) Before any registered dealer furnishes the returns required by sub-section (*1*) of section 10, he shall, in the prescribed manner, pay into a Government treasury the full amount of tax due from him under this Act according to such returns and shall furnish, along with the returns, a receipt from such treasury showing the payment of such amount.

(*3*) Before any registered dealer submits a revised return in accordance with sub-section (*2*) of section 10 which shows a greater amount of tax to be due than was payable in accordance with the original return, he shall pay into a Government treasury the extra amount of tax and shall furnish along with the revised return a receipt from such treasury showing payment of the extra amount.

[1][ (*3A*) If the tax payable under this Act is not paid by any dealer within the prescribed time, the dealer shall pay, by way of penalty in addition to the amount of tax a sum not exceeding three-fourth per cent. of the amount of tax for every month after the expiry of the prescribed period during which he continues to make default in the payment of the tax. The penalty so levied shall be without prejudice to any prosecution instituted for an offence under this Act.]

(*4*) [2](*i*) The amount of tax—

(*a*) due where the returns are furnished without receipt showing full payment thereof, or

(*b*) assessed under sub-sections (*1*), [3][ (*1A*) ], (*2*), (*3*) and (*4*) of section 11 less the sum, if any, already paid by the dealer in respect of the said period, or

(*c*) assessed under sub-section (*5*) of section 11 together with the penalty directed to be paid under that sub-section, [4][and

(*ii*) the amount of the penalty payable under sub-section (*3A.*),]

shall be paid by the dealer into a Government treasury by such date as may be specified in a notice issued by the Commissioner for this purpose and the date to be so specified shall be not less than thirty days from the date of service of such notice:

Provided that the Commissioner may, in respect of any particular dealer and for reasons to be recorded in writing, extend the date of such payment or allow such dealer to pay the tax due and the penalty (if any) by instalments.

(*5*) Any amount of tax together with the penalty, if any, which remains unpaid after the date specified in the notice issued under sub-section (*4*) shall be recoverable as an arrear of land revenue.

Prohibition against collection of tax in certain cases.

[5][12A. (*1*) No person shall collect any amount by way of tax under this Act in respect of sales or supplies of any goods which are declared, from time to time, under section 7 as sales or supplies on which the tax is not payable.

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[1] This sub-section was inserted, *ibid.*, s. 7 (*a*).
[2] Sub-section (*4*) was renumbered as 4 (*i*), *ibid.*, s. 7 (*b*).
[3] These brackets, figure and letter were inserted by Bom. 24 of 1948, s. 9.
[4] This portion was inserted by Bom. 1 of 1949, s. 7 (*b*).
[5] This section was inserted by Bom. 1 of 1949, s. 8.

(*2*) No person who is not a registered dealer shall in respect of sales or supplies of any goods collect from the purchaser any amount by way of tax under this Act except in cases where he is required to do so in order to comply with the conditions and restrictions imposed on him under the provisions of any law for the time being in force.

(*3*) Every registered dealer whose gross turnover exceeds Rs. 60,000 a year shall issue a bill or cash memorandum signed and dated by him or his servant, manager or agent to the purchaser in respect of the goods sold or supplied by him showing the particulars of the goods and the price at which the goods are sold or supplied and shall keep the counterfoil or duplicate of such bill or cash memorandum duly signed and dated and preserve it for a period of not less than two years from such date.

(*4*) If any person collects any amount by way of tax in contravention of the provisions of sub-section (*1*) or (*2*) or if any registered dealer collects any amount by way of tax in excess of the amount payable by him under this Act, the amount so collected shall, without prejudice to any prosecution that may be instituted against such person or dealer for an offence under this Act be forfeited to the Provincial Government and such person or dealer, as the case may be, shall within the prescribed period, pay such amount into a Government treasury and in default of such payment, the amount shall be recovered as an arrear of land revenue.]

Refunds.

**13.** The Commissioner shall, in the prescribed manner, refund to a registered dealer applying in this behalf any amount of tax paid by such dealer in excess of the amount due from him under this Act, either by cash payment or, at the option of the dealer, by deduction of such excess from the amount of tax due in respect of any other period :

Provided that no claim to refund of any tax paid under this Act shall be allowed unless it is made within twenty-four months from the date on which the order of assessment was passed or within twelve months of the final order passed on appeal, revision, or reference in respect of the order of assessment, which ever period is later.

Accounts.

**14.** [1](*1*) Every registered dealer and every other dealer on whom a notice has been served to furnish returns under sub-section (*1*) of section 10 shall keep a true account of the value of goods bought and sold by him, and if the Commissioner considers that such account is not sufficiently clear and intelligible to enable him to make a proper check of the returns referred to in that sub-section, he may require such dealer by notice in writing to keep such accounts (including records of sales, [2][necessary for the purposes of proper assessment] as he may, subject to anything that may be prescribed in that behalf, in writing direct.

[3][(*2*) The Commissioner may, subject to such conditions or restrictions as may be prescribed in this behalf, by notice in writing direct any dealer or by notification in the *Official Gazette* direct any class of dealers to maintain accounts and records showing the details regarding their purchases, sales or deliveries of goods in such form and in such manner as may be specified by him.]

Production and inspection of accounts and documents, and search of premises.

**15.** (*1*) The Commissioner may, subject to such conditions as may be prescribed require any dealer to produce before him any accounts or documents, or to furnish any information, relating to the stocks of goods of, or purchases, sales and deliveries of goods, by the dealer [4][or any other information, relating to his business] as may be necessary for the purposes of this Act.

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[1] Section 14 was renumbered as 14(*1*), *ibid.*, s. 9.
[2] These words were inserted by Bom. 25 of 1947, s. 10.
[3] This sub-section was added by Bom. 1 of 1949, s. 9.
[4] These words were inserted, *ibid.*, s. 10.

(*2*) All accounts, registers and documents relating to the stocks of goods of, or purchases, sales and deliveries of goods by, any dealer and all goods kept in any place of business or warehouse of any dealer shall at all reasonable times be open to inspection by the Commissioner.

(*3*) If the Commissioner has reason to suspect that any dealer is attempting to evade the payment of any tax due from him under this Act, he may, for reasons to be recorded in writing seize such accounts, registers or documents of the dealer as may be necessary, and shall grant a receipt for the same, and shall retain the same only for so long as may be necessary for examination thereof or for a prosecution.

(*4*) For the purposes of sub-section (*2*) or sub-section (*3*) the Commissioner may enter and search any place of business or warehouse of any dealer.

**Delegation of Commissioner's functions.**

**16.** Subject to such conditions and restrictions as the Provincial Government may, by general or special order, impose, the Commissioner may, by order in writing, delegate any of his powers and duties under this Act to any persons appointed under section 3 to assist him :

[1][Provided that the powers under sub-sections (*3*) and (*4*) of section 15 shall not be delegated to any officer below the rank of a Sales Tax Officer.]

**Dealer to declare name of manager of his business.**

[2][**16A.** Every dealer who is liable to pay the tax under this Act and who is a Hindu undivided family, an association or a club, society, firm or company or who carries on business as the guardian or trustee or otherwise on behalf of another person shall within the prescribed period send to the prescribed authority a declaration in the prescribed manner stating the name of the person who shall be deemed to be the manager of such dealer's business for the purposes of this Act. Such declaration may be revised from time to time.]

**Information to be furnished regarding changes of business.**

**17.** If any dealer to whom the provisions of sub-section (*1*) of section 10 apply—

(*a*) sells or otherwise disposes of his business or any part of his business, [3]or effects [4]*or comes to know of any other change in the ownership of the business or

(*b*) discontinues his business or changes his place of business or opens a new place of business, or

(*c*) changes the name or nature of his business or effects any change in the classes of goods [5][manufactured or processed by him,]

he shall, within the prescribed time inform the prescribed authority accordingly; and if any such dealer dies, his legal representative shall, in like manner, inform the said authority.

**Tax payable by transferee of business.**

**18.** [6](*1*) When the ownership of the business of [7][a dealer liable to pay tax under this Act] is entirely transferred, any tax payable in respect of such business and remaining unpaid at the time of the transfer shall be payable by the transferee as if he were [8][the dealer liable to pay such tax]; and the transferee shall within thirty days of the transfer apply for registration under section 8 [9][or 8A, as the case may be, unless he already holds a certificate of registration.]

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[1] This proviso was added by Bom. 25 of 1947, s. 11.
[2] This section was inserted by Bom. 1 of 1949, s. 11.
[3] The comma was put by Bom. 25 of 1947, s. 12 (*1*).
[4] The comma was deleted, *ibid.*
[5] These words were substituted for the original, *ibid.*, s. 12 (*2*).
[6] This section was renumbered as sub-section (*1*), *ibid.*, s. 13(*1*).
[7] These words were substituted for the original, by Bom. 1 of 1949, s. 12(*i*).
[8] These words were substituted for the original, *ibid.*, s. 12 (*ii*).
[9] This portion was added, *ibid.*, s. 12 (*iii*).

[1][ (2) When a registered dealer transfers the ownership of a part of his business the transferor shall be liable to pay tax under this Act in respect of the stock of goods transferred along with that part of his business, which is not so transferred, as if the goods had been sold by him, unless the transferee holds or obtains within the prescribed period a certificate of registration.

(3) When a firm which is a registered dealer is dissolved, each of such partners shall, unless he holds or obtains within the prescribed period a certificate of registration, be liable to pay tax under this Act in proportion to his share of goods in the partnership, as if the goods had been sold by him.

(4) When a dealer to whom a business or part of a business has been transferred, or who has obtained the whole or part of the stock relating to the business of a partnership which has been discontinued or dissolved, obtains a certificate of registration under sub-sections (1) to (3) he shall be liable to pay the tax on the sales or supplies of goods effected by him with effetct from the date of such transfer of business, discontinuance or dissolution of the partnership, as the case may be.]

Liability to tax on cancellation of certificate.

[2][**18A.** When a certificate of registration is cancelled under sub-section (6) of section 8 in any case other than that of a dissolution of a firm, [a][or entire transfer of the business of a dealer], the dealer shall be liable to pay tax on his stock of goods remaining unsold at the time of cancellation of the certificate.]

Power of Commissioner to determine disputes.

**19.** If any question arises (otherwise than in a proceeding before a Court) whether or not, for the purposes of this Act,—

(a) any person or firm or any branch or department of any firm is a dealer, or

(b) any transaction is a sale [3]**, or

(c) any particular dealer is liable to registration, or

(d) any particular goods purchased by a registered dealer are covered by his certificate of registration, or

(e) any tax is payable in respect of any particular sale [3]**, or

(f) any goods or classes of goods should be specified in the certificate of registration of any dealer [4]***,

the Commissioner shall [5][make an order determining] such question :

Provided that the Commissioner [6][may in such order direct] that any such determination shall not affect the liability of any dealer under this Act in respect of any [7]** sale effected prior to the date of such determination.

Powers of Court to Tribunal and Commissioner and subordinate Officers.

[8][**19A.** For the purposes of this Act,—

(1) the Tribunal and the Commissioner shall have the same powers as are vested in Courts in respect of—

(a) proof of facts by affidavits ;

(b) summoning and enforcing the attendance of any person and examining him on oath ;

(c) compelling the production of documents ; and

(d) issuing commissions for the examination of witnesses ;

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[1] Sub-sections (2), and (3) (4) were inserted by Bom. 25 of 1947, s. 13 (2).
[2] Section 18-A was added by Bom. 25 of 1947, s. 14.
(a) These words were inserted by Bom. I of 1949, s. 13.
[3] The words " or contract " were deleted by Bom. 25 of 1947, s. 15.
[4] The words, figures and brackets " under sub-section (3) of section 8 " were deleted, *ibid.*
[5] These words were substituted for the word " determine " by Bom. 24 of 1948, s. 10 (1).
[6] These words were substituted for the words " may direct", *ibid.*, s. 10 (2).
[7] The words " contract entered into or " were deleted by Bom. 25 of 1947, s. 15.
[8] Section 19-A was substituted by Bom. 24 of 1948, s. 11.

(*2*) in the case of any affidavit made for the purposes of this Act, any officer appointed by the Tribunal or the Commissioner may administer the oath to the deponent.]

Bar to certain proceedings.

**20.** Save as is provided in section 23, no assessment made and no order passed under this Act or the rules made thereunder by the Commissioner or any person appointed under section 3 to assist him shall be called into question in any Civil Court, and save as is provided in [1][sections 21 and 22], no appeal or application for revision shall lie against any such assessment or order.

Appeal.

**21.** (*1*) Within sixty days from the making of an order of assessment either with or without penalty or the passing of any other order under this Act, any dealer may in the prescribed manner, appeal to the prescribed authority against such assessment or other order :

Provided that no appeal against an order of assessment, with or without penalty, shall be entertained by the said authority unless it is accompanied by satisfactory proof of the payment of the tax, with penalty, if any, in respect of which the appeal has been preferred.

(*2*) Subject to such rules of procedure as may be prescribed the said authority may pass such orders on the appeal as such authority may think fit.

(*3*) Every order passed in appeal under this section shall, subject to the provisions of sections 22 and 23, be final.

Revision.

**22.** (*1*) Subject to such rules as may be prescribed and for reasons to be recorded in writing, the Commissioner may, upon application or of his own motion, revise any order passed under this Act or the rules thereunder by a person appointed under section 3 to assist him, and, subject as aforesaid the Tribunal may, [2][upon application] revise any order passed by the Commissioner :

[3][Provided that no application under this sub-section shall be entertained if it is not made within a period of [4][four months] from the date of the order :]

Provided [5][further] that before rejecting any application for the revision of any such order the Commissioner or the Tribunal, as the case may be, shall record reasons for such rejection.

(*2*) Before any order is passed under this section which is likely to affect any person adversely, such person shall be given a reasonable opportunity of being heard.

Application of sections 4 and 12 of Limitation Act.

[6][**22A.** In computing the period [7]* * * laid down under sections 21 and 22 the provisions of sections 4 and 12 of the Indian Limitation Act, 1908, so far as may be, shall apply.] IX of 1908.

Extension of period of limitation in certain cases.

[8][**22B.** The prescribed authority may admit any appeal under section 21 and the Tribunal may admit an application under section 22 after the period of limitation laid down in the said sections, if the appellant or the applicant, as the case may be, satisfies the prescribed authority or the Tribunal that he had sufficient cause for not preferring the appeal or making the application within such period.]

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[1] These words and figures were substituted for the original by Bom. 1 of 1949, s. 14.
[2] These words were substituted for the original by Bom. 24 of 1948, s. 12 (*1*).
[3] This proviso was inserted, *ibid.*, s. 12 (*2*).
[4] These words were substituted for the original by Bom. 1 of 1949, s. 15.
[5] This word was inserted by Bom. 24 of 1948, s. 12 (*3*).
[6] This section was added, *ibid.*, s. 13.
[7] The words " of sixty days " were deleted by Bom. 1 of 1949, s. 16.
[8] This section was inserted, *ibid.*, s. 17.

Statement of case to High Court.

**23.** (*1*) Within sixty days from the passing by the Tribunal of any order under sub-section (*2*) of section 21 or sub-section (*1*) of section 22 affecting any liability of any dealer to pay tax under this Act, such dealer or the Commissioner may, by application in writing accompanied where the application is made by a dealer by a fee of one hundred rupees, require the Tribunal to refer to the High Court any question of law arising out of such order, and where the Tribunal agrees it shall draw up a statement of the case and refer it to the High Court.

(*2*) If, for reasons to be recorded in writing the Tribunal refuses to make such reference, the applicant may, within thirty days of such refusal, either—

(*a*) withdraw his application (and if the applicant who does so is a dealer the fee paid by him shall be refunded), or

(*b*) apply to the High Court against such refusal.

(*3*) If upon the receipt of an application under clause (*b*) of sub-section (*2*), the High Court is not satisfied that such refusal was justified, it may require the Tribunal to state a case and refer it to the High Court and on receipt of such requisition the Tribunal shall state and refer the case accordingly.

(*4*) If the High Court is not satisfied that the statements in a case referred under this section are sufficient to enable it to determine the question raised thereby, it may refer the case back to the Tribunal, to make such additions thereto or alterations therein as the High Court may direct in that behalf.

(*5*) The High Court upon the hearing of any such case shall decide the question of law raised thereby, and shall deliver its judgment thereon containing the grounds on which such decision is founded, and shall send to the Tribunal a copy of such judgment under the seal of the Court and the signature of the Registrar, and the Tribunal shall dispose of the case accordingly.

(*6*) Where a reference is made to the High Court under this section, the costs (including the disposal of the fee referred to in sub-section (*1*)) shall be in the discretion of the Court.

(*7*) The payment of the amount, if any, of tax due in accordance with the order of the Tribunal in respect of which an application has been made under sub-section (*1*) shall not be stayed pending the disposal of such application or any reference made in consequence thereof, but if such amount is reduced as the result of such reference the excess tax paid shall be refunded in accordance with the provisions of section 13.

Rectification of mistake.

[1][**23A.** (*1*) The Commissioner may at any time within two years from the date of any order passed by him, on his own motion, rectify any mistake apparent from the record and shall within a like period rectify any such mistake which has been brought to his notice by a dealer :

Provided that no such rectification shall be made if it has the effect of enhancing the tax or reducing the amount of a refund unless the Commissioner has given notice in writing to the dealer of his intention so to do and has allowed the dealer a reasonable opportunity of being heard.

(*2*) The provisions of sub-section (*1*) shall apply to the rectification of a mistake by the Tribunal as they apply to the rectification of a mistake by the Commissioner.

(*3*) Where any such rectification has the effect of reducing the amount of the tax, the Commissioner shall in the prescribed manner refund any amount due to the dealer.

[1] This section was inserted by Bom. 1 of 1949, s. 18.

(*4*) Where any such rectification has the effect of enhancing the amount of the tax or reducing the amount of the refund, the Commissioner shall recover the amount due from the dealer in the manner provided for in section 12.

Offences and penalties.

24. (*1*) Whoever—

(*a*) carries on business as a dealer in contravention of sub-section (*1*) of section 8 ; or

(*b*) fails, without sufficient cause, to submit any return as required by section 10 or knowingly submits a false return ; or

(*c*) being a registered dealer, falsely represents when purchasing any class of goods, that goods of such class are covered by his certificate of registration ; or

(*d*) not being a registered dealer, falsely represents when purchasing goods that he is a registered dealer ; or

[1][(*dd*) contravenes the provisions of sub-section (*1*), (*2*) or (*3*) of section 12A ; or]

(*e*) fails, when directed so to do under section 14, to keep any accounts or records of sales in accordance with the direction ; or

(*f*) refuses to comply with any requirement made of him under sub-section (*1*) of section 15 ; or

(*g*) knowingly produces incorrect accounts, registers or documents, or knowingly furnishes incorrect information ; or

(*h*) obstructs any officer making an inspection, a search or a seizure under section 15 ; or

(*i*) neglects to furnish any information required by section 17,

shall, in addition to the recovery of any tax that may be due from him, be punishable with simple imprisonment which may extend to six months or with fine not exceeding one thousand rupees or with both ; and when the offence is a continuing one, with a daily fine not exceeding fifty rupees during the period of the continuance of the offence.

(*2*) No Court shall take cognizance of any offence under this Act, or under the rules made thereunder, except with the previous sanction of the Commissioner, and no Court inferior to that of a Magistrate of the Second Class shall try any such offence.

(*3*) Notwithstanding anything contained in the Code of Criminal Procedure, 1898, all offences punishable under this Act shall be cognizable and bailable. V of 1898.

Investigation of offences.

25. (*1*) Subject to such conditions as may be prescribed, the Commissioner may authorise any persons appointed under section 3 to assist him, to investigate all offences punishable under this Act.

(*2*) Every person so authorised shall, in the conduct of such investigation, exercise the powers conferred by the Code of Criminal Procedure, 1898, upon an officer in charge of a police station for the investigation of a cognizable offence. V of 1898.

Compounding of offences.

26. (*1*) The Commissioner may, either before or after the institution of proceedings under section 24, accept from any person charged with an offence under sub-section (*1*) of section 24 or under any rules made under this Act, by way of composition of the offence, a sum not exceeding one thousand rupees or where the offence charged is under clause (*a*) or clause (*b*) of that sub-section, not exceeding double the amount of tax which would have been payable by the dealer had he complied with the provisions of this Act, whichever is greater.

[1] This clause was inserted by Bom. 1 of 1949, s. 19.

(*2*) On payment of such sum as may be determined by the Commissioner under sub-section (*1*) no further proceedings shall be taken against the accused person in respect of the same offence.

Indemnity.

**27.** No suit, prosecution or other legal proceedings shall lie against any servant of the Crown for anything which is in good faith done or intended to be done under this Act or the rules made thereunder.

Disclosure of information by a public servant.

**28.** (*1*) All particulars contained in any statement made, return furnished or accounts or documents produced in accordance with this Act, or in any record of evidence given in the course of any proceedings under this Act other than proceedings before a Criminal Court shall, save as provided in sub-section (*3*), be treated as confidential, and notwithstanding anything contained in the Indian Evidence Act, 1872, no Court shall, save as aforesaid, be entitled to require any servant of the Crown to produce before it any such statement, return, account, document or record or any part thereof, or to give evidence before it in respect thereof.

I of 1872.

(*2*) If, save as provided in sub-section (*3*), any servant of the Crown discloses any of the particulars referred to in sub-section (*1*), he shall be punishable with imprisonment which may extend to six months or with fine or with both.

(*3*) Nothing in this section shall apply to the disclosure of any of the particulars referred to in sub-section (*1*) [1][, (*a*)] for the purposes of a prosecution under the Indian Penal Code, in respect of any statement, return, accounts, document or evidence or for the purposes of a prosecution under this Act [2][or (*b*) to any authority acting in exercsie of the powers conferred by the Indian Income-tax Act, 1922, where it is necessary to disclose the same to such authority for the purposes of the said Act.]

XLV of 1860.

XI of 1922.

Power to make rules.

**29.** (*1*) The Provincial Government may, subject to the condition of previous publication, make rules for carrying out the purposes of this Act.

(*2*) In particular and without prejudice to the generality of the foregoing power such rules may prescribe—

[3][(*a*) the period for return of goods under clause (*j*) of section 2 ;]

(*b*) the qualifications to be possessed by a member of the Tribunal ;

(*c*) the further period after the date of expiry of three consecutive years referred to in sub-section (*3*) of section 5 ;

[4][(*cc*) [5][the period within which and the terms and conditions subject to which the goods are despatched or removed under the proviso to sub-section (*1*) of section 6, and] the circumstances in which and the conditions subject to which the Commissioner may accept a lump sum by way of composition under sub-section (*2*) [6][of the said section 6], and the manner of determining such sum ;

(*cca*) [7]* * * * * * ; ]

(*d*) the other sales, turnover in respect of which may be deducted from a dealer's gross turnover in computing his taxable turnover as defined in section 6 ;

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[1] These brackets and letter were inserted by Bom. 1 of 1949, s. 20 (*a*).
[2] This portion was inserted, *ibid.*, s. 20 (*b*).
[3] Cl. (*a*) was substituted by Bom. 25 of 1947, s. 17 (*a*).
[4] Clauses (*cc*) and (*cca*) were inserted by Bom. 24 of 1948, s. 14.
[5] This portion was inserted by Bom. 1 of 1949, s. 21 (*i*) (*a*).
[6] These words and figure were substituted for the original, *ibid.*, s. 21 (*i*) (*b*).
[7] This clause was deleted, *ibid.*, s. 21 (*ii*).

[1][(*dd*) the conditions and restrictions subject to which the general tax on bullion and specie is to be levied ;]

[2][(*ddd*) the rate at which deductions shall be made under the proviso after Rule III in sub-section (*3*) of section 6 ;]

(*e*) the manner in which and the authority to which applications for registration shall be made under section 8 ;

(*f*) the procedure for, and other matters incidental to, the registration of dealers and the granting of certificates of registration, and the form of such certificates under section 8 [3][and the manner in which applications for cancellation of registration shall be made, and the date from which cancellation of registration shall take effect, under sub-section (*6*) of that section ;]

[4][(*ff*) the manner in which a certificate of registration may be granted under sub-section (*1*), and the manner in which application may be made under sub-section (*5*) of section 8-A ;]

(*g*) the manner in which the lists and particulars referred to in section 9 shall be published ;

(*h*) the returns to be furnished under section 10 and the dates by which, and the authority to which, such returns shall be furnished ;

(*i*) the procedure to be followed for assessment under section 11 ;

(*j*) the intervals at which, and the manner in which, the tax shall be payable under section 12 ;

[5][(*jj*) the period within which a person or a dealer shall pay the amount of tax collected by him into a Government treasury under sub-section (*4*) of section 12A ;]

(*k*) the manner in which refunds under section 13 shall be made;

(*l*) the accounts and forms thereof required by the Commissioner to be kept under [6][sub-section (*1*) of] section 14 [7][and the conditions or restrictions subject to which the accounts shall be maintained under sub-section (*2*) of the said section 14 ;]

(*m*) the conditions under which the production of accounts or documents or the furnishing of information may be required under sub-section (*1*) of section 15 ;

[8][(*mm*) the period within which, the authority to which and the manner in which a declaration shall be sent under section 16A ;]

(*n*) the authority to which, and the time within which, information shall be furnisded under section 17 ;

[9][(*nn*) the period for obtaining certificates of registration under sub-section (*2*) or (*3*) of section 18 ;]

(*o*) the manner in which, and the authority to which, appeals against any order, under the Act, may be preferred under section 21 ;

(*p*) the procedure for, and other matters (including fees) incidental to, the disposal of appeals and applications for revision under sections 21 and 22 ;

(*q*) the manner in which, and the time within which, applications shall be made, information furnished and notices served, under this Act ;

(*r*) any other matter which is required to be or may be prescribed.

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[1] This clause was inserted by Bom. 52 of 1948, s. 3.
[2] This clause was inserted by Bom. 1 of 1949, s. 21 (*iii*).
[3] This portion was substituted for the original, *ibid.*, s. 21 (*iv*).
[4] This clause was inserted by Bom. 25 of 1947, s. 17(*b*).
[5] This clause was inserted by Bom. 1 of 1949, s. 21 (*v*).
[6] These words, brackets and figure were inserted, *ibid.*, s. 21 (*vi*) (*a*).
[7] This portion was added, *ibid.*, s. 21 (*vi*) (*b*).
[8] This clause was inserted, *ibid.*, s. 21 (*vii*).
[9] This clause was inserted by Bom. 25 of 1947, s. 17 (*c*).

(*3*) In making any rule the Provincial Government may direct that a breach thereof shall be punishable with fine not exceeding one thousand rupees, and when the offence is a continuing one, with a daily fine not exceeding fifty rupees during the continuance of the offence.

**30.** [*Repeal of Bom. V of 1939.*] *Repealed by Bom. XXIV of 1948, s. 15.*

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[1][SCHEDULE I.

(*See* section 6.)

1. (*i*) Motor vehicles including motor cars, motor taxi cabs, motor cycles and cycle combinations, motor scooters, motorettes, motor omnibuses, motor vans and motor lorries.

(*ii*) Chassis of motor vehicles.

(*iii*) Articles (including rubber and other tyres and tubes and batteries) adapted for use as parts and accessories of motor vehicles, not being such articles as are ordinarily also used for other purposes than as parts or accessories of motor vehicles.

2. Refrigerators and air-conditioning plants [2][and parts thereof].

3. Wireless reception instruments and apparatus and component parts thereof including all electrical valves, accumulators, amplifiers and loud speakers which are not specially designed for purposes other than wireless reception.

4. Cinematographic, photographic and other cameras, projectors and enlargers; lenses and other parts of and accessories to such cameras, projectors and enlargers, and films, plates, paper and cloth required for use therewith.

5. Binoculars and opera glasses.

6. Perfumery, cosmetic and toilet articles, except soaps and other articles as may be specified by the Provincial Government by notification in the *Official Gazette*.

7. Silk including artificial silk and all silk goods.

8. Fountain pens, stylograph pens and propelling pencils.

9. All clocks, time-pieces and watches, and parts thereof.

10. Pile carpets.

11. Gramophones, radio-gramophones [3][and component parts thereof] and records.

12. All arms including rifles, revolvers, pistols and ammunition for the same.

13. Jewellery, precious stones, unset precious stones and pearls, real and cultured.]

[4][(14) Upholstered furniture.

(15) Articles made of ivory, sandal wood or blackwood or inlaid therwith, ornamental metalware with enamelled or carved designs and gold and silver filigree.

(16) Iron and steel safes, almirahs and furniture.

(17) Glassware, chinaware and domestic pottery excluding earthenware pottery.

(18) Table cutlery, including knives, forks and spoons.

(19) Tabulating, calculating, indexing or card punching machines and Adrema machines.

(20) Dictaphone and other similar apparatus for recording or reproducing sound and parts and accessories thereof.

(21) Domestic electrical appliances other than torches, torch cells, filament lighting bulbs and fans.

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[1] Schedule I was inserted by Bom. 24 of 1948, s. 16 (*1*).
[2] These words were inserted by Bom. 1 of 1949, s. 22 (*i*).
[3] These words were inserted, *ibid.*, s. 22 (*ii*).
[4] Entries 14 to 30 were added, *ibid.*, s. 22 (*iii*).

(22) All fabrics containing any material of gold, silver or gilded metal whether knitted, woven or embroidered; and thread, *zari*, or other embroidery materials of gold, silver or gilded metal.

(23) All fabrics and articles for personal wear in which the combined weight of silk, artificial silk and synthetic fibre used is more than 50 per cent.

(24) Woollen goods except those exempted.

(25) Furs and skins (other than those of cattle, sheep and goats) and articles of personal or domestic use made therefrom.

(26) Ladies' handbags and vanity bags.

(27) Shoes and footwear sold at a rate not less than rupees fifteen per pair.

(28) Spirits of wine, rectified spirit, brandy, whisky, rum, gin, gingerale, grape liquor and malt liquor, whether manufactured in India or imported into India from outside.

(29) Cigarette cases and lighters.

(30) Fireworks.]

## SCHEDULE II.[1]

(See section 7.)

| Serial No. | Description of goods. | Conditions and exceptions subject to which exemption has been allowed. |
|---|---|---|
| 1 | All cereals and pulses including all forms of rice .. | [2][Except when sold in sealed containers.] |
| 2 | Flour including atta, maida, suji and bran .. | [2][Except when sold in sealed containers.] |
| 3 | Bread. | |
| 4 | Meat .. .. .. .. | [2][Except when sold in sealed containers.] |
| 5 | Fish .. .. .. .. | [2][Except when sold in sealed containers.] |
| 6 | Fresh Eggs. | |
| [3][7 | Cattle, sheep and goats. | |
| 8 | Fresh vegetables. | |
| 9 | Fresh fruits. | |
| 10 | Food and non-alcoholic drink consumed at a hotel, restaurant, refreshment room, eating house, or other place where such food and drinks are served. | Except when the cost of such food and drinks consumed at one time exceeds Rupee one.] |
| 11 | Gur. [4]* * * | |
| 12 | Salt. | |
| 13 | Pepper, tamarind and chillies. | |
| [5][14 | Fresh milk, whole or separated and milk powder.] | |
| [6]* | * * * * * | |
| 16 | Kerosene. | |
| 17 | Cattle-feeds including fodder, Cotton-seed and other concentrates. | |
| 18 | Fertilizers. | |
| 19 | Quinine. | |
| 20 | Coal Gas | When sold by a Gas Supply Company for consumption— (*a*) by Government or any Local Authority, or (*b*) in respect of any industrial undertaking (other than in residential or Office premises). |
| 21 | Tobacco in any form whether manufactured or not. | |
| 22 | Matches. | |

[1] The original Schedule was numbered as Schedule II by Bom. 24 of 1948, s. 16 (*1*).
[2] These words were inserted, *ibid.*, s. 16 (*2*) (*a*).
[3] Entries 7 to 10 were substituted for the original by Bom. 1 of 1949, s. 23 (*a*).
[4] The words "sugar and molasses" were deleted, *ibid.*, s. 23 (*b*).
[5] This entry was substituted for the original by Bom. 24 of 1948, s. 16 (*2*) (*c*).
[6] Entries 15, 24 and 29 were deleted by Bom. 1 of 1949, s. 23 (*c*).

SCHEDULE II—*contd.*

| Serial No. | Description of goods. | Conditions and exceptions subject to which exemption has been allowed. |
|---|---|---|
| 1* | * * * * * * * * * * | |
| 2* | * * * * * * * * * * | |
| 25 | Electrical Energy. | |
| 26 | Motor spirit, meaning any liquid or admixture of liquids which is capable of providing reasonably efficient motive power for any form of motor vehicle and which has a flashing point below 76° F. | |
| 27 | Water other than aerated and mineral waters. | |
| 28 | Buttermilk and curds. | |
| 29* | * * * * * * * * * * | |
| 30 | Turmeric Powder. | |
| 31 | Betel nuts. | |
| 32 | Cloth woven on handlooms, exclusively out of mill or handspun cotton yarn, [3][and caps, towels and handkerchief made exclusively from such cloth or yarn]. | |
| 4* | * * * * * * * * * * | |
| 34 | Firewood and charcoal. | |
| 35 | Manures including oil-cakes. | |
| 36 | Agricultural implements worked or operated exclusively by human or animal agency, [5][specified by the Provincial Government by notification in the *Official Gazette*]. | |
| [6][37 | Text Books sanctioned by the Provincial Government, or the Director of Public Instruction for the Province of Bombay, or the Educational Inspectors of Divisions.] | |
| 38 | Slate and slate pencils ... .. .. | [7]* * * * |
| 39 | Chalk-sticks and crayons .. .. .. | [7]* * * * |
| 40 | Foot-rules .. .. .. .. | [7]* * * * |
| 41 | Exercise and drawing books .. .. .. | [8]* * * * |
| 42 | Stamp-paper sold by vendors duly authorised under the provisions of the Indian Stamp Act, 1899. | |
| *43 | Newspapers. | |
| [9][44 | Hides and skins of cattle, sheep and goats and leather (whether tanned or untanned).] | |
| *45 | Cotton (whether ginned or unginned). | |
| *46 | Cotton Yarn. | |
| *47 | Cotton Seed. | |
| 10* | * * * * * * * * * * | |
| *49 | Texts of sacred Books of all religions. | |
| 50 | Betel leaves. | |
| 10* | * * * * * * * * * * | |
| 52 | Cloth woven on handlooms exlusively out of handspun woollen yarn. | |
| 53 | Goods obtained from the Canteen Stores Department of the Government of India and sold, by Canteen Contractors certified by that Department, to members of His Majesty's or Allied Forces at prices fixed by the said Government. | |
| [11][54 | Charkha and such other implements used in the production of handspun yarn or hand-woven cloth as may be specified by the Provincial Government by notification in the *Official Gazette*.] | |

**N.B.*—Legally the sales of these items can only be exempted from the 1st November 1946 but no tax will be collected in respect of these items durng the intervening period, namely October 1946.

[1] Entry 23 was deleted by Bom. 24 of 1948, s. 16 (2) (*d*).

[2] Entries 15, 24 and 29 were deleted by Bom. 1 of 1949, s. 23 (*c*).

[3] These words were inserted by Bom. 24 of 1948, s. 16 (2) (*e*).

[4] Entry 33 was deleted, *ibid.*, s. 16 (2) (*f*).

[5] These words were inserted, *ibid.*, s. 16 (2) (*g*).

[6] This entry was substituted for the original by G. N., F. D. No. 7069/33-ST, dated 1st June 1949.

[7] The words "When sold to *bona fide* students and educational institutions" were deleted, *ibid.*, s. 16 (2) (*h*).

[8] The words "sold by educational institutions" were deleted, *ibid.*, s. 16 (2) (*i*).

[9] This entry was substituted for the original by Bom. 1 of 1949, s. 23 (*d*).

[10] Entries 48 and 51 were deleted, *ibid.*, s. 23 (*e*).

[11] Entry 54 was added, *ibid.*, s. 16 (2) (*k*).